




SUSTAINABILITY

*The road to a sustainable
'new normal'*

SUSTAINABILITY

DEFINING SUSTAINABILITY

The most widely used definition of sustainability, first appeared in the Brundtland report, published in 1987:



"Sustainable development is the development that meets the needs of the present without compromising the ability of future generations to meet their own needs"

The document, also referred to as Our Common Future, was elaborated for the United Nations to warn about the negative environmental consequences of economic development and globalization, aiming to offer solutions to problems arising from industrialization and population growth.

The principle of sustainability is made up of three pillars: economy, society, and the environment, which may also be informally used as profit, people, and the planet, respectively.



Economy - Pillar focused on giving people what they want without compromising the quality of life. It is also about providing incentives for businesses and other organizations to adhere to sustainability guidelines beyond their normal legislative requirements.

Society - Sustainability pillar focused on society and social policy, urban development, company and organization performance, product design, and lifecycle. The key is to maintain access to basic resources without compromising the quality of life.

Environment - The third pillar and to many, the primary concern of the future of humanity, defines how ecosystems, air quality, integrity, and sustainability of our resources should be studied and protected.

Prompted by a modern, consumerist, and largely urban existence throughout the world, which consumes a lot of natural resources every day, businesses have been taking decisions in terms of environmental, social, and human impact for the long-term. Increasingly, companies have issued sustainability goals such as commitment to zero-waste packaging by a certain year, or to reduce overall emissions by a certain percentage

When it comes to the retail industry, major commitments towards sustainable goals are in everyone's agenda, with issues related to climate change, food waste, and supply chain attracting the biggest share of investment. According to an Accenture's study (September 2019) on corporate sustainability, 99% of chief executives from the world's leading organizations say sustainability is critical to their future success, with the majority also seeing a clear link to business value.

This mindset focus on sustainability comes as consumers are becoming increasingly attuned to sustainability issues and demanding of retailers to keep pace with their changing expectations, and what was once considered by retailers as a hefty cost tied to a fleeting consumer trend, is today becoming widely recognized as a source of competitive advantage that can help drive top-line growth.

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COVID-19 IMPACT

The deep and long-lasting impact of the Covid-19 pandemic, brought unprecedented challenges and huge uncertainty to markets, industries, and consumers, with everyone facing some level of change in their lives, creating new habits and behaviours that will endure into the 'new normal' ahead. Sustainability efforts before Covid-19 were temporarily put on hold, as the focus had to shift from planet to people's health, with social distancing measures being of paramount importance.

When looking towards consumers, fears of infection has driven consumers back to single-use packaging, amid growing concerns of touching on products that were already in other people's hands. Moreover, the steep rise in demand for cleaning and hygiene products has risen the need for more plastic material.

In Ireland, garbage collectors observed a "record surge" in household waste — with a noticeable rise in unopened, past-sell-by-date food, as well as wilted garden greenery.

In Germany, single-use plastics resurged, with Mara Hancker, managing director of the German lobby for plastic packaging, adding that "people don't have faith anymore in these products without the packaging."

In Spain, the government decided to prohibit manual triage in waste plants but without technology to separate garbage it created a problem in recycling.



According to Dave Lewis, Tesco' CEO, the trend for customers to avoid packaging had gone into reverse: *"Before the crisis, people were looking for more unpackaged, loose produce, [but] people are interestingly going back to pre-packed produce because they believe that's a safer purchase,"* he told the BBC.

The impact of Covid-19 pandemic on consumer's and industry's behaviours towards sustainability is unquestionable. If on one hand, the current global challenges present risks to business operations and their sustainable commitments, like for example, putting on hold some targets regarding plastic, on the other hand, it also brings growth opportunities.

As evidenced by FleishmanHillard's in their Authenticity Gap report, **retailers no longer have the option to be silent on sustainability issues**. Therefore, the industry has the opportunity to build and implement purpose-driven strategies towards a sustainable future that can impact on society and people's life. The value of a product is intrinsically linked to consumers' views on whether the leadership of a company is seen to be behaving ethically, and clarity about how a product is created, including the sourcing of materials and manufacturing methods

Commitments towards **Environmental, Social and Economic Sustainability** were already key before the pandemic and will continue to be so once the pandemic is over.

***"What is
unsustainable will
not be sustained."***

Economist
Milton Friedman
University of Chicago



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ENVIRONMENTAL SUSTAINABILITY

Climate action and access to affordable and clean energy, which are key to achieve a net-zero economy, seem unaffected by the outbreak, regardless of some initial concerns about the pandemic potential impact on initiatives being taken by retailers and manufacturers. Nonetheless, despite the health and economic crises, industry member's commitments regarding tackling climate change continue to be a priority for companies. However, the increased use of single-use plastics is already creating new challenges that need to be addressed.

The World Economic Forum Covid-19 Action Platform recently alerted for a new form of pollution as single-use personal protective equipment (PPE) floods oceans.

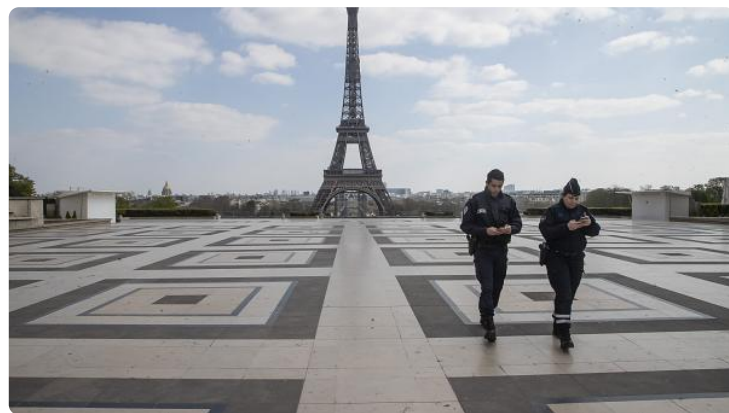
There are millions of gloves and masks being used then thrown away every single day – masks, gloves, hand sanitizer bottles and other coronavirus waste are already being found on seabeds and beaches, joining the day-to-day detritus in our ocean ecosystems.

Skyrocketing numbers of COVID-19 cases and tremendous pressure on healthcare systems have underscored that plastic is still the most reliable and affordable solution for personal protection.

Unless technological advances introduce better alternatives, we will need a systems-level approach from companies and governments on a global scale to address the issue of plastic and protect our environment.

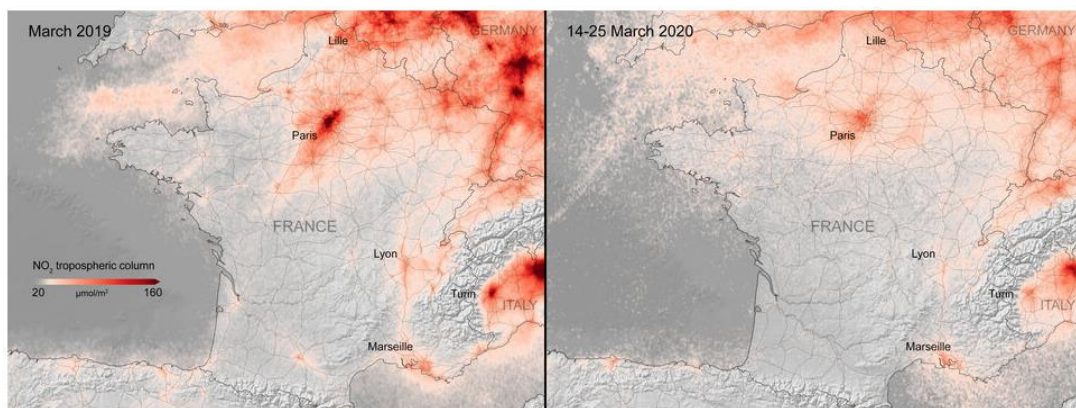


Globally, the Covid-19 pandemic positively impacted the environment, as worldwide, governments had to take containment measures, putting billions of people in lockdown in their homes, working from home. This “forced” behaviour has had an ‘extreme’ effect on daily carbon emissions, **resulting in a drop of 17% in global carbon emissions**



Researchers analyzed government policies on confinement for 69 countries responsible for 97% of global CO₂ emissions. At the peak of confinement measures, regions responsible for 89% of global CO₂ emissions were under some level of restriction.

Emissions from land transport, such as cars, account for 43% of this decrease in global emissions. Emissions from industry and power together account for a further 43% and aviation accounts for 10%. The increase in the use of residential buildings from people working at home only marginally offset the drop in emissions from other sectors.



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ENVIRONMENTAL SUSTAINABILITY

Retailers and manufacturers are becoming more conscious of the tool their business activities and policies have on the planet and its resources and have started to develop more sophisticated and effective ways to still conduct business while reducing its impact on the environment and future resource availability. Though some strategies were already on the pipeline, to some degree the pandemic as contributed to accelerating those initiatives and helped forge new partnerships, as consumers attention towards sustainability rose.

Recently, **Waitrose & Partners** and **John Lewis** have announced plans to introduce electric vans to its delivery fleet.

Such initiative not only supports the company's objective to eliminate the use of fossil fuels across its transport operations by 2030 but also provides a viable and efficient solution for the increase of online orders.



In June this year, **Unilever Plc** announced the investment of 1 billion euros in a fund (projects include reforestation, water preservation, and carbon sequestration) to invest in climate change projects and reduce to net-zero greenhouse gas emissions from all its products by 2039, 11 years ahead of the Paris Agreement deadline.



Aldi Nord in its third sustainability report, not only raised its climate targets, as at the same time pledged suppliers to cut carbon emissions. It has joined the international Science Based Targets Initiative, which aims to keep the worldwide temperature rise below 2 degrees as agreed at the Paris Climate Conference in 2015. The retailer aims to reduce its carbon emissions by 40 % by next year.

Aldi has been investing in sustainable stores for years, making sure there are solar panels on the roofs, lighting is energy efficient, and so on. However, it now says 95 % of total retail emissions happen outside of the stores, causing it to ask its suppliers to do their share in the struggle.



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ENVIRONMENTAL SUSTAINABILITY

It is as important to develop and put in practice sustainable initiatives as it is to communicate them to consumers, to raise awareness on the importance of adopting sustainable lifestyles. Knowing the importance of getting the message through to consumers, Coop Denmark developed a new app - *“The app is intended as a tool for customers who want to use climate impact information to change their shopping habits by shopping climate-friendly. Therefore, the app will also give consumers advice on how to make the contents of the shopping cart greener.”*



In the UK, the leading meat-free brand, **Quorn**, has been developing initiatives to educate consumers on making sustainable food choices. The brand has introduced a new carbon footprint labelling of its products, which will better inform people who want to understand the environmental impact of the foods they buy, as they recognize food's impact on climate change. The manufacturer will start publishing **Carbon Trust 'Farm to Fork'** carbon footprint certified data on its packaging from June, but the data will also be available on the brand webpage. Initially available on 13 products, with more to follow throughout the year, the move forms part of the brand's 'Step in the Right Direction' campaign which launched earlier this year.



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ENVIRONMENTAL SUSTAINABILITY

The effort to achieve a sustainable future is not exclusive to some brands or manufacturers, and **Private Brands** are also being leveraged by retailers to express their unique identity and their strategic objectives. Retailers are also regarding their Privates Brands has a vehicle to lead with innovation in their markets, expanding their value proposition and introducing new formulations that answer to the shifting consumer priorities, while reinforcing their corporate sustainability commitments and goals.

The German discounter, **Aldi Süd**, is to start selling **climate-neutral sneakers** developed under its Private Brand Crane Pure, with parts of the shoe developed from recycled PET bottles. According to the retailer, CO2 emissions emanating from the production, transportation and sale of the 'eco-friendly' sneakers are offset by a certified climate protection project in Cambodia.



This summer, **Jumbo became the first supermarket chain in the Netherlands** to introduce a complete private brand line of canned fish with MSC quality mark.

According to Jumbo, the retailer starting point is that products must be produced with care for people, animals and the environment. By developing a full private brand range of MSC certified products, Jumbo is now able to offer its consumers a more sustainable and economical option in the canned fish segment, while taking an important next step in making its fish supply more sustainable.



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SUSTAINABILITY

SOCIAL SUSTAINABILITY

The pandemic has accelerated a shift from profit to purpose, forcing many companies to put social sustainability at the core of their decisions. A Euromonitor survey shows, that despite the unfolding economic crisis, businesses are thinking beyond a short-term cost-cutting mentality, with 73% of companies investing in sustainability to build brand reputation.

Retailers and manufacturers continue to increase their support for vulnerable communities. Many are choosing to focus on local communities, while others have extended their support to more remote locations across the globe, especially in developing countries. Looking to the consumer side, more than ever they want to know more about the origins of what they buy and are more focused on health and safety whilst favouring businesses in their local communities.

Mercadona launched, in both Spanish and Portuguese markets, several initiatives to help fight hunger during COVID-19, by donating to soup kitchens and food banks.



In South Africa, **Shoprite** was among the first to donate 330 care packages comprising of blankets and toiletries, for distribution to hospital's COVID-19 patients at the newly built Brackengate Intermediate Care facility.



In support of the UAE communities affected by COVID-19, the retailer **Lulu** has donated UAE1m (US\$272,000) to provide 125,000 meals to those most in need. The group pledged to help the '10 million meals' campaign, the biggest food distribution campaign in the country.



SHOPRITE

Covid-19 offered an opportunity for corporations to really put **purpose-driven** leadership into practice, leading by example, putting support to their employees, suppliers and local communities at the forefront of their priorities.

Nivea-maker **Beiersdorf** has started serial production of medical-grade disinfectants to support the fight against the coronavirus pandemic in Europe.



During the pandemic peak, Louis Vuitton owner **LVMH** announced that its cosmetics unit would manufacture large quantities of hand disinfectant gel to help stave off a nationwide shortage across France as the coronavirus rapidly spread.



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SOCIAL SUSTAINABILITY



In support of the frontline workers, Asda UK launched under its private brand the colourful **ASDA's Rainbow pizza**.

The product comprises five vegetable toppings (red and orange peppers; yellow sweetcorn; green spinach; and red onion) and is an edible interpretation of the iconic rainbow symbol that is providing people with hope during the pandemic.

All profits from every purchase are to be donated to NHS Charities Together and The Care Workers' Charity.

FOOD WASTE

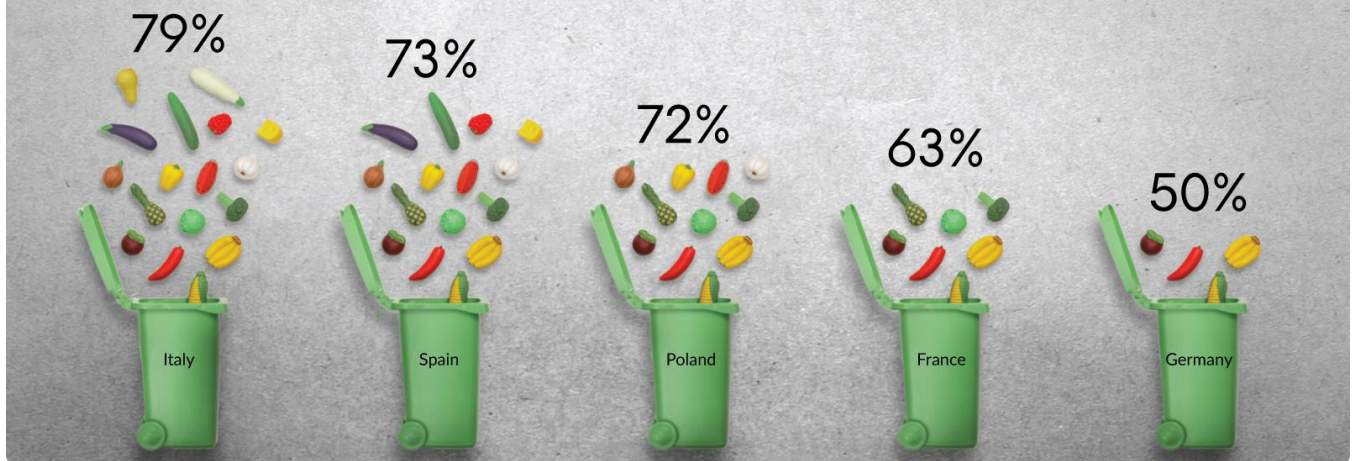
Worldbank data shows that despite millions of people worldwide suffer from malnutrition, yet 1.3 billion tonnes of food is thrown away each year. The food waste topic was already hot before to Covid-19, but the pandemic urged governments, retailers, and brands to increase measures towards tackling this issue.

The Covid-19 supply chain disruptions and the limited out-of-home demand caused a surge in food waste, with images of farmers tossing away produce or milk, due to lack of labour or decreased demand, still very well present in our minds. The scale of waste has led to a series of actions, from governments and private initiatives, towards repurpose or redistribution of food to food banks and charity organizations.

Consumers are also more aware of the climate impacts of food waste and are incorporating new behaviours into their routines to minimize their own kitchen waste. Better planned meals and ingredients' usage, as well as savvier product choices, are contributing to reducing food waste. Consumers are also trying to expand the life of the food they buy by using leftovers, making soups, and freezing more.

79% of Italian adults agree the COVID-19 outbreak has encouraged them to waste less food at home

Select European markets: % of adults, in agreement with the statement "The COVID-19/coronavirus outbreak has encouraged me to waste less food at home," May 2020



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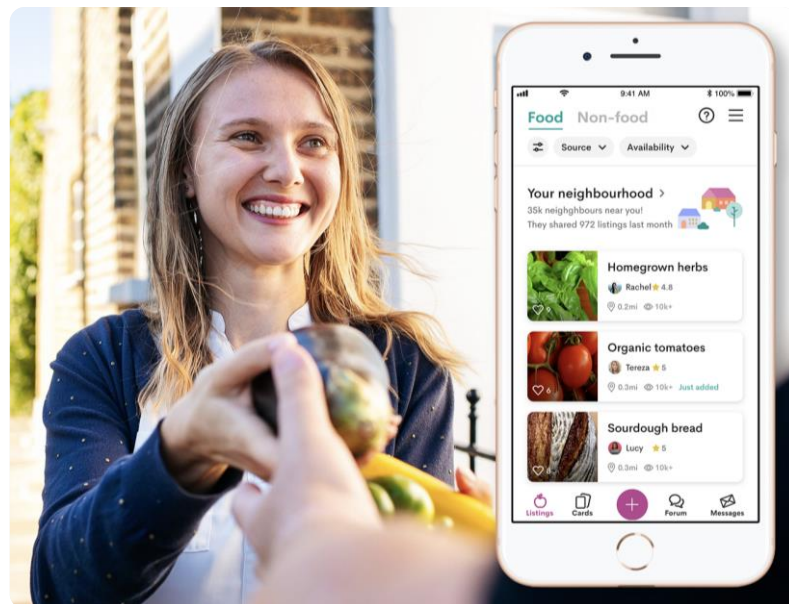
SOCIAL SUSTAINABILITY

Businesses-wise, even if the pandemic temporarily paused some sustainability initiatives, it did not stop them. Retailers, manufacturers, start-ups, and charity organizations continued investing and committing to several food waste reduction projects.

The leading European discounter has been active in implementing similar strategies to fight food waste across several markets.

In Belgium, Lidl launched an initiative to reduce food waste, it is called *“Bon appétit, Zéro Gasp”* (Eat Well, Zero Waste), aiming to reduce food waste by 50% by 2025. The initiative traces products that are close to their expiry date, and places them at very low and attractive prices for consumers. The profits originated from the sales of these products will be given to food banks.

In its home market the discounter introduced a dedicated display for products close to their due date in its stores. The *“Ich bin noch gut”* (I’m still good) boxes aim at helping reduce food waste too. Food products, close to their due date are displayed in these boxes at reduced prices (up to 50% off).



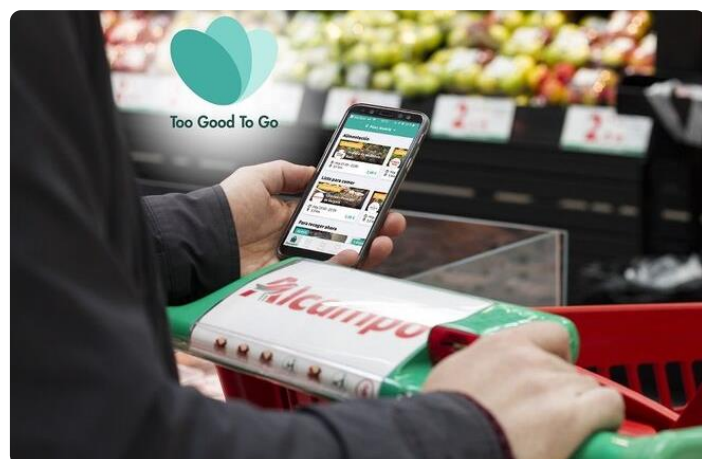
In the UK, the new ordeal of shopping at a supermarket, coupled with the fear of stock shortages, saw households acknowledge food is not just a commodity – but a life-source.

The **OLIO app**, which connects people, who have the food they no longer want, with their neighbours, ensuring surplus food does not end up in a landfill and was used more in the first five weeks of the pandemic peak than in the past five years.

OLIO’s surge in membership is attributed to three factors: people valuing food more, becoming collectively more aware of social inequality, and realizing a sense of belonging to our local community.

Since the start of the pandemic, the social impact company **Too Good To Go** which is driving a movement against food waste, saw a sharp increase in the number of companies across Europe that showed intention in to join the program, and contribute to further connect users with businesses that have surplus food.

From Denmark to Spain and Portugal, leading retailers as the likes of **Aldi, Alcampo and Makro**, have started collaborating with **Too Good To Go**, in the fight against food waste.



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SOCIAL SUSTAINABILITY

The UAE, which generates on an annual basis 2.000 tones of food waste, has 40% of that waste ending up in landfills due to inefficient waste management solutions. To reduce this impact, the start-up Circa Biotech developed a sustainable method of upcycling food waste using black soldier flies (BSF) and is currently working with retailer Carrefour.

The newly developed process allows producing high-quality protein for animal feed with the BSF larvae, leading to the creation of a circular economy as well as local and sustainable protein production, where nothing is wasted.

The food waste is collected from Carrefour's central warehouse and fruits, vegetables, meat, bones, canned, and packaged goods are then sent to Circa Biotech's waste processing facility and fed to the BSF larvae.

After 10 days, it is processed into three components: protein meal (for animal feed), larval oil (for biodiesel) and fertilizer (for agriculture).



Private Brands offer retailers a unique opportunity to take and communicate purpose-driven actions to reduce food surplus and waste.

During the recent Waste-Free Week, an event organized by the Together Against Food Waste Foundation, which took place in the Netherlands, Jumbo showcased its new private brand bread concept.



Named 'Brood van Brood', which translated to English means 'Bread of Bread', is an ancient traditional baking principle that Jumbo has brought to nowadays. Jumbo initiative aims to prevent bread waste, which is one of the most wasted products, both on the shop floor and at consumers' homes. In this pilot project, the retailer will be making white and wholemeal bread from unsold private-label bread. The new cut White and cut Whole wheat are sold pre-packaged in units of 800 grams (whole bread) for € 1.50 each.

More than ever, communication will play a key role in educating consumers on the importance of adopting a sustainable lifestyle and the impact they can have when opting for more sustainable product solutions.

Coop Sweden is once again spearheading the way the industry communicates its sustainable commitments to the market and consumers. The Swedish retailer has become industries first to introduce its sustainability declarations on all its private brand products. Coop Sweden consumers will be able to view the information by simply digitally scanning a product's barcode. According to the retailer, the declaration will indicate a particular product's impact on the earth's resources, climate, and society.



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ECONOMIC SUSTAINABILITY

Circular economy and recycling continue to be relevant topics albeit the pandemic has caused a shift in focus from the planet to people's health. Consumers growing fear of touching surfaces and products that have been in handled by others as impacted their reusing and recycling behaviours. Nevertheless, the **European Commission** has said it will stick to its 2021 deadline for banning single-use straws, cutlery, and other items. This way it will continue to put efforts on laying the foundations to a new plastics economy, where the design and production of plastics and plastic products fully respect the reuse, repair and recycling needs and more sustainable materials are developed and promoted.

The 4R's: 'REMOVE, REDUCE, REUSE, RECYCLE'

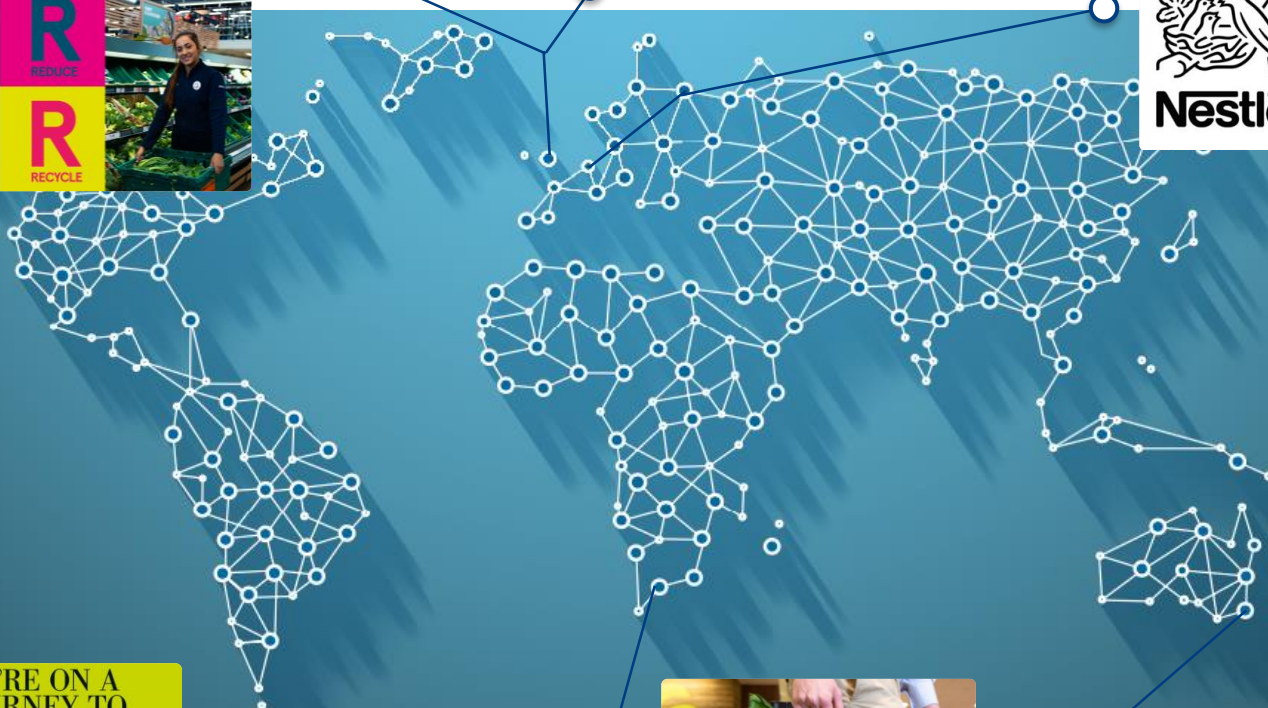
Many 'Remove, Reduce, Reuse, Recycle' retail initiatives are visible across several countries, from reusable paper bags to refilling stations and deposit return schemes.

Tesco, one of the members of the UK Plastic pact, kept their goals towards the end of 2020 to remove a billion pieces of packaging from their business.



In mid-August, Morrisons in the UK also launched a trial of reusable paper bags in eight stores and, if successful, will later roll out nationwide. According to Morrisons, this switch will save 90 million plastic bags from being used on an annual basis, the equivalent of 3.510 tones of plastic.

Nestlé kept its compromise to spend up to \$2bn to switch from virgin to recycled plastics. The company said it would cut its use of virgin plastics by one third by 2025, building on its 2018 commitment to make 100% of packaging recyclable or reusable by the same date.



WE'RE ON A JOURNEY TO REDUCE OUR PLASTIC PACKAGING



WORKING TOWARDS ZERO PACKAGING WASTE

Woolworths in South Africa does not give up from the journey to assure all packaging is recyclable by 2022



At the beginning of June, Woolworths Australia reintroduced paper carrier bags, made from 70% recycled paper in all its stores, to meet growing customer demand for alternatives that can be easily recycled in household curbside collection points.

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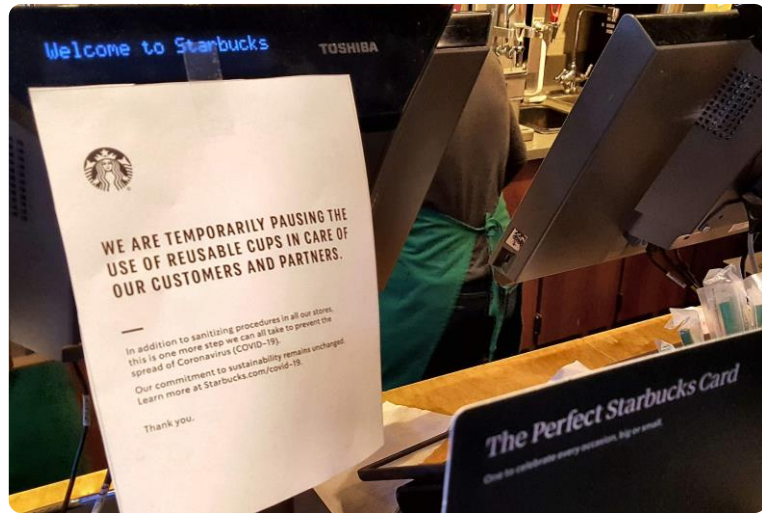
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Despite the actions already in place or scheduled, during the early stages of the pandemic outbreak and when dealing with its initial shockwave, several governments and companies took a step back on the war against the throwaway culture, temporarily pausing the use of reusable and refillable containers or even by lifting the bans on the usage of single-use plastics, leading to their temporary comeback.

One of the important components of Starbucks waste reduction strategy was to increase the percentage of served beverages in reusable cups. Since 1985, Starbucks has been actively promoting and rewarding consumers that make use of reusable cups.

In March this year, when COVID-19 infection rate was hitting new records every day, **Starbucks** decided to pause the program and ban the use of reusable cups, only serving drinks in disposable single-use cups, to guarantee consumers safety.



Since Terra Cycle introduced Loop in the market, the e-commerce platform that offers zero-waste packaging options for popular products/Brands, has been expanding to other markets outside US, having reached France and most recently the UK market.

In the UK, Terra Cycle, Loop's parent company, joined forces with Tesco to make the inception of the program in the market. Loop was originally due to launch back in March, but the decision was taken to push this back because of the COVID-19 pandemic. The pandemic caused a 4-month delay in the launch of the refilling platform, which was finally launched in July, and started delivering 150 items in reusable containers to Tesco's consumers.

In the UK, the ban on plastic straws and stirrers was delayed by six months due to supply chain disruptions caused by coronavirus, while a decision on a plastic packaging tax got delayed by three months and a charge for plastic shopping bags has been waived for online deliveries.



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In the US, Kroger launched a free recycling program for its Simple Truth Private Brand, that allows shoppers to recycle more than 300 products from its Simple Truth line through a partnership with TerraCycle.

After collecting Simple Truth flexible plastic packaging, customers ship the packaging to TerraCycle using a free, prepaid label and can later redeem the points, earned for every pound of eligible packing sent, as donations to charitable organizations.

The Simple Truth Recycling Program is part of Kroger's greater sustainability goals with its Zero. Hunger | Zero Waste social impact plan. By the end of 2019, Kroger had already exceeded its goal of reducing in 10 million pounds the amount of plastic resin of its Private Brands packaging.



When it comes to 'Reuse', the refilling stations are growing in popularity across Europe both for food and non-food products. The Ecover stations, which allow shoppers to reuse a bottle up to 50 times, are getting the attention of consumers at Sainsbury's and Waitrose stores.



DM-Drogerie joined Nivea to offer its customers refill stations as part of a pilot project, available in selected DM stores in Germany. This initiative wants to reduce packaging waste and promote reuse and recycling habits.

Empty bottles can be refilled up to three times and after the third fill, customers are asked to exchange the bottle and in return, they receive a new bottle and a refill for free.

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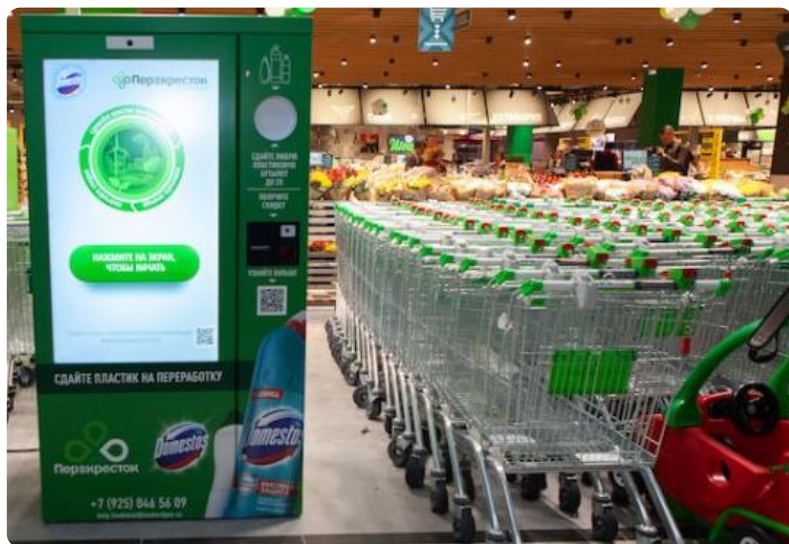
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Deposit return schemes ensure plastic bottles and other items are collected to be reused or recycled and have gained significant traction across several European countries. The most successful country in Europe is Norway with a 97% recycling rate for plastic bottles. Germany also reaches impressive numbers with an even wider scheme scope targeting glass, plastic (mostly PET) and metal (aluminium) with a 98,4% total return rate. Though these schemes still carry high implementation and development costs, the European success stories can contribute to a higher adoption rate in other regions.

In mid-June, Aldi announced it will install 40 reverse vending machines with the capacity to handle 25.000 plastic and glass bottles every week. The initiative will start across Aldi stores in Scotland and will be rolled out nationwide in July 2022.

Russian retailer X5 Retail Group also launched reverse vending machines in its Perekrestok and Karusel stores, in partnership with Unilever. The scheme offers a 10% discount voucher on Unilever products, such as Domestos bleach, when returning empty recyclable plastic packaging.



Additionally, the retailer is also promoting a pilot project, in partnership with The Coca-Cola Company and Henkel, to collect used plastic and aluminum beverage containers for recycling through reverse vending machines installed at fifteen Pyaterochka stores across the Moscow region.

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In the last few years, we've been observing an increasing environmental awareness, with the number of consumers worried about climate change growing by 10% between 2017 and 2020. Businesses are now also more focused on environmental sustainability and are increasingly adopting measures to reduce the usage of plastic in packaging, answering to 66% of consumers that are willing to decrease their plastic consumption as well, as they consider it to be the least sustainable packaging solution.

“Why is it okay to package something as perishable as food in something as indestructible as plastic?”

Gagandeep Jhuti, a co-founder of UK non-profit organization A Plastic Planet.

Early in the year, two creative environmental campaigners, from the A Plastic Planet organization came up with an initiative that albeit its simplicity it underlines a powerful message.

The guerrilla campaign named The Plastic Expiry Date encouraged participants to download labels stating a 'Plastic Expiry Date' of 500 years and stick them onto perishable goods enclosed in single-use plastic in supermarkets.



PLASTIC EXPIRY DATE
24/01/2499

Please recycle me!
#plasticexpirydate

PLASTIC EXPIRY DATE
20/01/2499

Please recycle me!
#plasticexpirydate

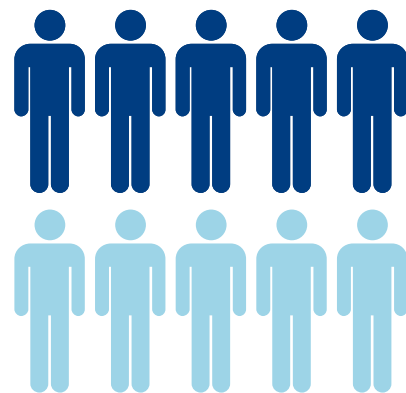


The main goal of the initiative was to raise awareness among consumers and retailers about the importance of their choices by warning about the long-term effects of plastic, especially when the plastic is non-recyclable such as plastic film.

Then Covid-19 came along and the concerns about safety and hygiene brought back single-use plastics and increased plastic packaging options, considered to be safest, with 55% of UK adults saying it's more important to protect food hygiene than it is to minimize plastic packaging waste at the moment. However, moving forward into the "new normal" trends on sustainable packaging are expected to return as consumers will go back to more conscious consumption habits, looking to avoid single-use plastics and fight plastic pollution.

55%

of UK adults actually saying it's more important to protect food hygiene than it is to minimize plastic packaging waste at the moment



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The quest to reduce plastic will pose several difficulties for the industry, but as new materials start being tested in the market and partnerships are forged, it will also bring opportunities to effectively overcome the challenges and build a sustainable future.



Scotch brand Johnnie Walker, by Diageo, joined US venture management company Pilot Lite and UK sustainable packaging company Pulpex to develop a limited-edition whiskey to be released in 2021, that will be packaged in sustainable wood-pulp paper bottles.



UK packaging company Frugalpac has also launched its 'Frugal Bottles' - wine bottles made from recycled cardboard. The carbon footprint of the bottles is six times lower than the traditional glass, and a third lower than a 100% recycled plastic alternative.

Discounters are trying to reduce their use of plastic packaging, especially for fresh produce. Lidl, Aldi, and Penny have been amongst the first retailers to roll out reusable net bags instead of plastic ones, in Europe. Fresh produce is a key category and one where waste could be high. Investment is being made to train staff to better manage product quality and improve shelf life.



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To effectively tackle plastic waste in packaging the industry needs to broaden the scope beyond the primary packaging, and plastic rings or shrink films which are commonly used Beverage packaging worldwide also have a significant impact on plastic production and pollution.

As part of its sustainability strategy, one of the goals ALDI SÜD has set itself is to use 30% less packaging material for its Own Brands by 2025. The retailer has turned words into actions, by recently launching the new Karlskrone beer PET container that does not need any shrink film.



The Paperboard 'CanCollar' has been launched in Spain by Coca-Cola European Partners, as part of the company commitment to reducing plastic in their secondary packaging.

The new solution will prevent more than 18 tones of plastic from heading to the landfill on an annual basis and doesn't require the use of any glue or adhesives to make it highly recyclable after use.

Alternative material, as the likes of Bioplastic, are also gaining momentum since their impact on the environment is significantly less than traditional plastics. Produced from renewable biomass sources such as vegetable fats and oils, corn starch, woodchips, or food waste, this relatively new technology still carries much higher costs than current plastic options. Nevertheless, new packaging prototypes using bioplastics are emerging as the European project YPACK, developed by a consortium of entities and co-financed by the Horizon 2020 program of the European Union. Coordinated by the Institute of Agrochemicals and Food Technology of Valencia, it gathered the collaboration of INL - International Iberian Nanotechnology Laboratory (based in Braga), the universities of Minho and Nova de Lisboa, and Continente, the only national retailer of this European consortium.

The proposal suggests a "3 in 1" solution, which allows the packaging, created from food waste, to be truly biodegradable, compostable, and to prolong food conservation.



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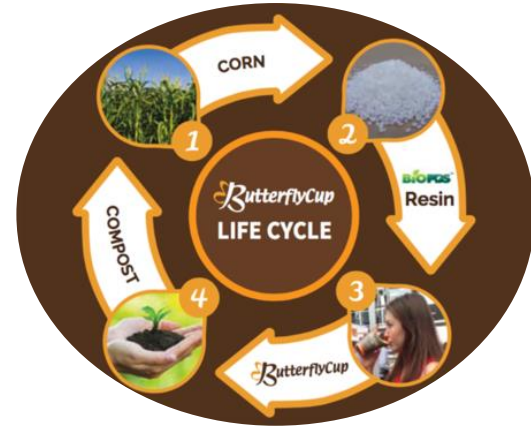
The FMCG industry has been evidencing signs that it has the cunning and wit to find the need solutions, by not only reformulating packaging formats but also finding ways to apply new materials as the likes of hemp, algae, fishing nets' fibres, or soap in packaging solutions.



One of the most innovative drinks' packaging solutions is the ButterflyCup. Set to transform the on-the-go experience, this highly innovative disposable cup is expected to revolutionize the drinking experience for both hot and cold drinks.

Its unique shape allows the edges to become a lid and the drinking opening is formed by the cup itself. The concave form also allows for more comfortable drinking for the customer.

Available in a completely plastic and laminate free paper that can be easily recycled as ordinary paper and cardboard, further eliminating the need for plastic lids and straws.



Danish discount retail chain Rema 1000 has launched in the market, under its private brand Maskinrens, a dishwashing detergent bottle made from recycled fishing nets. The new packaging formulation results from a partnership between Rema 1000 with Plasix, a cleantech recycling company that converts fibres, using fishnets, trawls, and ropes, into Green Plastic.



SOAPBOTTLE is a product packaging for shower gels and shampoos made entirely from soap.

Developed by designer Jonna Breitenhuber, the award-winning green concept aims to reduce the amount of plastic packaging generated by liquid hygiene products. While the content within is being used, the soap packaging very gradually dissolves.

When finished, remnants can be used again as hand soap or processed into detergents. The soap itself is made of natural ingredients and is biodegradable therefore generating zero waste.



(continues...)

MAIN CHALLENGES AND OPPORTUNITIES AHEAD

With 76% of consumers expected to be more concerned about sustainability after Covid-19, there are three main areas of focus where the industry should endeavour and put in action the strategies to reach the desired sustainability goals:

Food Waste



The fight against food waste will continue to remain relevant alongside with food redistribution which is also gaining traction and importance. Retailers and manufacturers that carried out initiatives before and during the pandemic peak, to support charity organizations and communities, will be expected to continue doing so. Consumers are now more conscious of their individual impact on food waste and have already started adopting savvier habits when preparing food or reusing meal leftovers.

Remove, Reduce, Reuse, Recycle



As the “new normal” settles in, the 4R’s, get reinstalled in consumers’ daily routines. Recycling infrastructures, such as reverse vending machines, are expected to prevail in the market, promoting and facilitating both in-home and out-of-home recycling initiatives. The circular economy will continue to be one of the main drivers in sustainable packaging, with a higher emphasis on reducing and recycling. Fast-forwarding into the future, we can anticipate that those that effectively establish a transparent and candid communication with consumers, sensitizing them for the importance of adjusting their choices and adopting a sustainable lifestyle, will yield the highest results.

Packaging Reformulation



The pandemic has brought unexpected challenges to the FMCG industry and to the efforts on tackling plastic usage. As consumers safety and hygiene concerns rose throughout the pandemic peak, it became evident the need to produce future packaging solutions, that can assure safety and cleanliness while also incorporating anti-bacterial materials. Bioplastics and paper packaging solutions are now becoming more relevant and, despite their higher costs, the increasing consumers’ awareness can set the pace for faster future adoption. As the industry discovers new ways to integrate more sustainable materials into packaging, the path to eliminating plastic usage appears clearer and promising.

Sources: Euromonitor, IGD, Globaldata, Mintel, Trendhunter, Kantar, McKinsey, Nielsen, Hartman Group, BCG, Government Europa, Stylus, World Economic Forum, LinkedIn, Youtube, Vimeo, Instagram, Flaticon, Pexels, Unsplash, Cosmetics Design Europe, Food Business News, Food Dive, Food Navigator, Food Navigator Asia, Gedlingeye UK, Inside Retail, Progressive Grocer, Food Retail & Shoppers, Morrisons, Tesco, Carrefour, Continente, Woolworths Aus, X5 Retail Group, countryliving.com, news.unipack.ru, Pulpex, Forbes, thedrinksbusiness.com, frugalpac.com, thesun.co.uk, express.co.uk, plasticsinpackaging.com, ypack.eu, butterflycup.com, packworld.com, jonnabreitenhuber.de, chargedretail.co.uk, beveragedynamics.com, Asda, Jumbo, Lightspeed, FleishmanHillard’s